Amendments

Please amend the claims as follows:

Claims 1-104. (canceled)

Claim 105. (currently amended) A system for distributing music to a plurality of customer households, the system comprising:

(a) a data transmission system for blanket transmitting a plurality of music selections to the plurality of customer households in digital format;

(b) a user station at the plurality of customer households, enabling the customer household to preview the plurality of music selections a predetermined number of times before billing the customer household for the plurality of music selections, the user station including:

i. a user interface for permitting the customer household to preselect a transmitted music selection for recording;

ii. a receiver;

iii. a high capacity storage medium, in communication with the receiver for recording the preselected music selection in digital form; and

iv. an audio output for outputting audio signals from the high capacity storage medium to a playback device for enabling the customer household to playback the recorded music selection;

v. a circuit for degrading a quality of the previewed preselected music selections by compressing the preselected music selections by a process selected from the group consisting of:

compressing the preselected music selections;

adding distortion to the preselected music selections;

overlaying voice over the preselected music selections; and

deleting sections from the preselected music selections;

(c) a central controller system having a database for storing therein information corresponding to the customer household;

-4-

(d) a communications link between the customer household and the central controller system for verifying to the controller system when a preselected music selection has been made available for playback; and

(e) a billing system associated with the central controller system to bill the customer household for a music selection that has been made available for playback.

Claim 106. (currently amended) A system for distributing music to a plurality of customer households, the system comprising:

(a) a data transmission system for blanket transmitting a plurality of music selections to the plurality of customer households in digital format;

(b) a user station at ~~at least one~~each of the plurality of the customer households, the user station including:

i. a user interface for permitting the customer household to preselect desired~~a~~ transmitted music selections for recording and permiting each of the plurality of customer households to designate the music preference information;

ii. a receiver and associated high capacity storage medium for recording the preselected music selections in digital form;

iii. an audio output for outputting audio signals to a playback device for enabling the customer household to playback the recorded music selections; ~~and~~

~~iv. an storage device in communication with the receiver for writing the received music selection in encrypted form to a removable storage medium, such that the music selection cannot be decrypted without at least one key;~~

(c) a central controller system having a database for storing therein information corresponding to ~~the~~each customer households, wherein the central controller system further:

automatically enables blanket transmission to each of the plurality of user stations of music content without requiring music selections from the user stations according to assigned customer profiles,

assigns customer profiles according to each of the plurality of households music preference information communicated by the user station to the central controller system; and

-5-

further comprises:

a customer preference information storage memory for receiving
and storing each of the plurality of customer households designated music preference
information;

a general population preference database for storing preference
information for all of the plurality of customer households;

a customer catalog generator for analyzing the customer preference
information storage memory and the general population preference database to create an
individual customer catalog for each of the plurality of customer households that determines
which music is automatically blanket transmitted

(d) a communications link between each of the plurality of the customer
households and the central controller system for verifying to the controller system when a
preselected music selection has been made available for playbacktransmitting, subsequent to the
recording, the at least one key to the user station; and

(e) a billing system associated with the central controller system to bill the
customer household for music selections that are made available for playbackthe one or more
transmitted keys.;

Claim 107.   (currently amended) A method for distributing music to a plurality of customer
households, the method comprising the steps of:

(a)   blanket transmitting a plurality of music selections to the plurality of
customer households in digital format;

(b)   providing a customer household with information identifying the music
selections that will be transmitted;

(c)   preselecting and recording the transmitted music selection at the customer
household on a high capacity storage medium;

(d)   enabling the customer household to preview the preselected music
selection a predetermined number of times, utilizing a user station comprising a circuit for
degrading quality of the previewed preselected music selections previewed by compressing the
preselected music selections using a process selected from the group consisting of:

-6-

compressing the preselected music selections;

adding distortion to the preselected music selections;

overlaying voice over the preselected music selections; and

deleting sections from the preselected music selections

(e) enabling the customer household to playback the recorded music selection;

(f) communicating music playback information from the customer household to a central controller system; and

(g) billing the customer household for the recorded music selection that has been played back, based on the communicated music playback information.

Claim 108. (previously presented) A method for distributing music to a plurality of customer households, the method comprising the steps of:

(a) blanket transmitting a plurality of music selections to the plurality of customer households in digital format, the blanket transmitting including the steps of:

i. assigning to each of the plurality of customer households a customer profile according to each of the plurality of households music preference information communicated to the central controller system,

ii. permitting each of the plurality of customer households to designate the music preference information,

iii. receiving and storing each of the plurality of customer households designated music preference information at the central controller system,

iv. storing preference information for all of the plurality of customer households, and

v. analyzing the preference information for each of the households and the general population to create an individual customer catalog for each of the plurality of customer households that determines which music is automatically blanket transmitted, and

vi. blanket transmitting to each of the plurality of customer households music content according to the assigned customer profile;

-7-

(b) providing each of the plurality of customer households with information identifying available music selections that will be transmitted;

(c) permitting each of the plurality of customer households to preselect and record desired music selections on a high capacity storage medium;

(d) enabling each customer household to playback the recorded music selections;

(e) communicating music playback information from each of the plurality of customer households to a central controller system; and

(f) billing each of the plurality of customer households for the recorded music selections that are made available for playback.

-8-